

## Assembly Bill No. 568

### CHAPTER 134

An act to amend, repeal, and add Section 50906 of the Water Code, relating to reclamation districts.

[Approved by Governor August 7, 2015. Filed with  
Secretary of State August 7, 2015.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 568, Dodd. Reclamation District No. 108: hydroelectric power.

Existing law authorizes the formation of reclamation districts by owners of swamp and overflowed lands, salt-marsh, or tidelands, or other lands subject to flood or overflow and by owners of land already reclaimed, or in progress of reclamation, and not included in a reclamation district. Existing law authorizes Reclamation District No. 1004, in conjunction with the County of Colusa, to construct, maintain, and operate a plant, transmission lines, and other necessary or appropriate facilities for the generation of hydroelectric power, as prescribed. Existing law requires proceeds from the sale of electricity to be utilized to retire any time warrants issued for construction of the facilities and otherwise for the powers and purposes for which the district was formed.

This bill would grant the above-described hydroelectric power authority to Reclamation District No. 108 until January 1, 2021.

*The people of the State of California do enact as follows:*

SECTION 1. Section 50906 of the Water Code is amended to read:

50906. (a) A reclamation district specified in subdivision (d) may construct, maintain, and operate a plant for the generation of hydroelectric power, together with transmission lines for the conveyance thereof and with other facilities that may be necessary or appropriate for the construction, maintenance, and operation of that plant. Construction of the plant and transmission lines may be financed by the issuance of time warrants pursuant to Article 3 (commencing with Section 53040) of Chapter 1 of Part 9 to pay the cost of construction of the plant, transmission lines, and related facilities, except that the board may, by resolution, provide for the payment of those time warrants solely from the proceeds derived from the operation of the hydroelectric powerplant, in lieu of the assessment described in Section 53040, and may, in that event, pledge the plant, transmission lines, and related facilities and the revenues from the operation of the hydroelectric plant as the sole security for the payment of the time warrants.

(b) The hydroelectric plant, transmission lines, and related facilities constructed pursuant to this section may be leased for operation to, or the power generated may be sold to, a public utility or public agency engaged in the distribution, use, or sale of electricity, but shall not be offered for sale directly by the district to customers other than a public utility or public agency.

(c) Proceeds from the sale of electricity shall be utilized to retire any time warrants issued for construction of the facilities and otherwise for the powers and purposes for which the district was formed.

(d) This section applies only to the following reclamation districts:

(1) Reclamation District No. 1004 acting in conjunction with the County of Colusa.

(2) Reclamation District No. 108.

(e) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

SEC. 2. Section 50906 is added to the Water Code, to read:

50906. (a) A reclamation district specified in subdivision (d) may construct, maintain, and operate a plant for the generation of hydroelectric power, together with transmission lines for the conveyance thereof and with other facilities that may be necessary or appropriate for the construction, maintenance, and operation of that plant. Construction of the plant and transmission lines may be financed by the issuance of time warrants pursuant to Article 3 (commencing with Section 53040) of Chapter 1 of Part 9 to pay the cost of construction of the plant, transmission lines, and related facilities, except that the board may, by resolution, provide for the payment of those time warrants solely from the proceeds derived from the operation of the hydroelectric powerplant, in lieu of the assessment described in Section 53040, and may, in that event, pledge the plant, transmission lines, and related facilities and the revenues from the operation of the hydroelectric plant as the sole security for the payment of the time warrants.

(b) The hydroelectric plant, transmission lines, and related facilities constructed pursuant to this section may be leased for operation to, or the power generated may be sold to, a public utility or public agency engaged in the distribution, use, or sale of electricity, but shall not be offered for sale directly by the district to customers other than a public utility or public agency.

(c) Proceeds from the sale of electricity shall be utilized to retire any time warrants issued for construction of the facilities and otherwise for the powers and purposes for which the district was formed.

(d) This section applies only to Reclamation District No. 1004 acting in conjunction with the County of Colusa.

(e) This section shall become operative on January 1, 2021.